

# RICHMOND, VA E-NEWSLETTER

SPECIAL EDITION

## INSIDE THIS ISSUE:



**This issue is dedicated to informing you of important changes to SBA's programs due to the recently passed Recovery Act.**

You have subscribed to the Newsletter List of the Richmond, Virginia District Office of the U.S. Small Business Administration. Information provided to you via this newsletter may include general information regarding our Agency and its programs. It will focus primarily on events in the Richmond District Office territory, consisting of all of Virginia, except the counties of Arlington, Fairfax and Loudoun, and cities of Alexandria, Fairfax and Falls Church. If you would like specific information related to the SBA office in your area, please visit our [Local Resources page](#) and click on the state in which your business resides or will reside.

Helping small businesses  
**start, grow and succeed.**



Your Small Business Resource

## 2009 Recovery Act

The American Recovery and Reinvestment Act, aka **The Recovery Act**, will have a significant impact on small businesses and on the credit crunch. It provides tax incentives and financing opportunities that will help small business create jobs.

The Recovery Act makes SBA part of the solution, providing it with specific tools to make it easier and less expensive for small businesses to get loans, give lenders new incentives to make more small business loans, and help unfreeze the secondary markets to boost liquidity in the credit markets.

### HIGHLIGHTS:

- Temporary Elimination of Loan Fees on 7(a) and 504 SBA loans until December 31, 2009 or until allocation is exhausted.
- 90 Percent Guarantees on most 7(a) loans—Participating SBA lender will receive a 90 percent guarantee from SBA which will encourage lending to small businesses.
- ARC Stabilization Loans which will provide deferred-payment loans backed 100 percent by the SBA of up to \$35,000 to viable small businesses that need help making payments on an existing, qualifying loan for up to six months. Intended to give small businesses some temporary financial relief to keep their doors open and get their cash flow back on track so they can maintain existing jobs and ultimately create new jobs. Repayment does not begin until 12 months after the loan is fully disbursed. ARC loans cannot be made to cover payments on an existing loan that was guaranteed by SBA before the day the bill was signed into law, February 17, 2009.
- Expanded Microlending—Provides enough extra funding to SBA-backed microlenders across the country for \$50 million in new SBA microloans. Microloans are delivered by non-profit community-based intermediary lenders across the country. Microloans can be made for up to \$35,000 and come with technical assistance and training for every borrower. [Find your nearest Virginia Microlender.](#)
- Surety Bond Guarantee Program Expansion - Raises the maximum amount for contracts that qualify for SBA surety bonds to \$5 million, and up to \$10 million on some contracts. Increasing these limits will allow more small businesses to compete for billions of dollars in contracts and help drive economic recovery. [Info about the Surety Bond Guarantee Program.](#)
- Expanded 504 Refinancing Project- A new 504 refinancing program will help expand existing long term projects by working with Certified Development Companies to restructure and refinance existing loans into SBA-backed 504 loans. The [504 Loan Program](#) finances acquisition or construction of owner-occupied buildings and heavy machinery.
- Small Business Investment Company (SBIC) Program Expansion— SBA SBICs may be eligible for additional SBA financial assistance. They will be required to invest 25 percent of their financing dollars in “smaller” enterprises. Find out about the [SBIC program](#) or [see list of Virginia SBICs.](#)

# 2009 Recovery Act

Complete details on all of the 2009 Recovery Act SBA changes are available at <http://www.sba.gov/recovery/index.html>

## Including:

- Recovery Act Frequently Asked Questions for Small Business Owners
- Recovery Act Legislation
- Latest News and Resources
- Link to Recovery.gov— a website that lets you, the taxpayer, figure out where the money from the American Recovery and Reinvestment Act is going.
- White House Fact Sheet and more...

## RESOURCES FOR SMALL BUSINESSES

Visit our [local website](#) to find:

- [An SBA lender in your area;](#)
- [View an SBA Loan Chart outlining our loan guaranty programs.](#)
- Contact an SBA Resource Partner for counseling and training to help you start or grow your small business:
  - [SCORE: Counselors to America's Small Business](#) volunteers provide training and one-on-one counseling at no charge.
  - [Small Business Development Centers \(SBDCs\)](#) provide training, counseling, research and other specialized assistance.
- [Take a FREE online business course.](#)
- [Get help Planning Your Business.](#)
- [Find out about Contracting Opportunities.](#)

## SHARE THIS

**NEWSLETTER WITH A FRIEND** – Do you know a fellow small business owner who would benefit from the **Richmond, VA SBA Newsletter**? If so, forward it to them or direct them to the registration page at <http://web.sba.gov/list/> (scroll down and click on the box next to Richmond, VA Newsletter).

## NEW SUBSCRIBERS –

For those who have just joined the Newsletter list, be sure to read earlier newsletters in our [Archives](#).

## HAVE A QUESTION?

EMAIL YOUR QUESTIONS: Our local email address is [richmond.va@sba.gov](mailto:richmond.va@sba.gov). If you are a small business owner or prospective owner located in our territory of Virginia (see page 1), please contact us if you have questions about any of our services, starting a business, or obtaining business financing.



## UPCOMING EVENTS

CALENDAR OF EVENTS: Be sure to visit our Calendar of Events area for workshops of interest to small business owners in Virginia. To get to the Calendar, go to our website (<http://www.sba.gov/va/>) and click on "Events Calendar" on the right-hand menu listing.